

Economic Recovery by the Numbers:

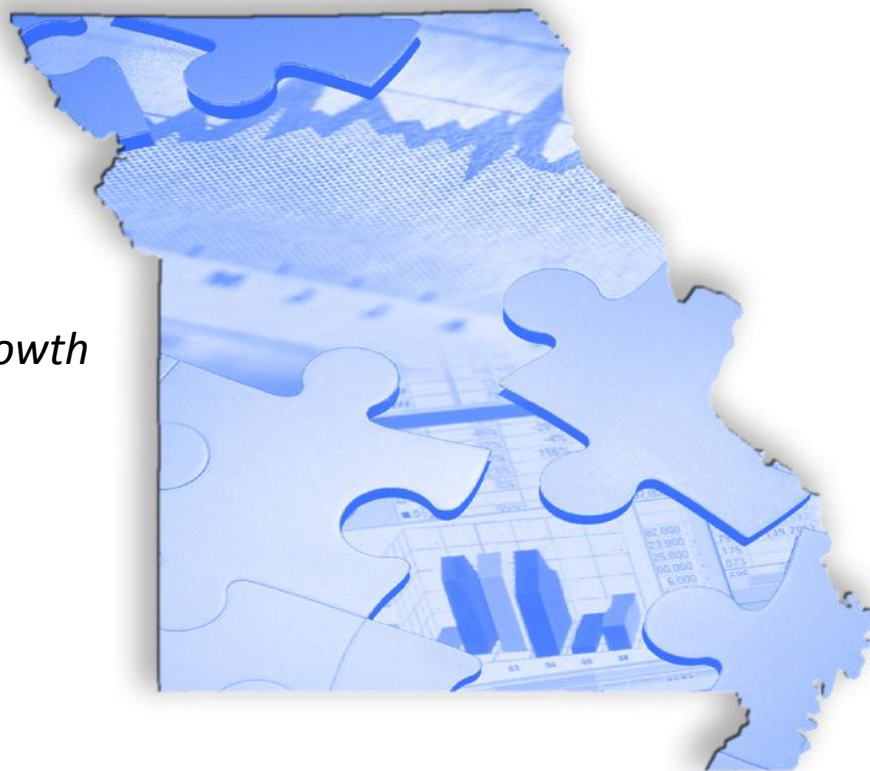
Missouri Business and Industry Trends

Presented by:

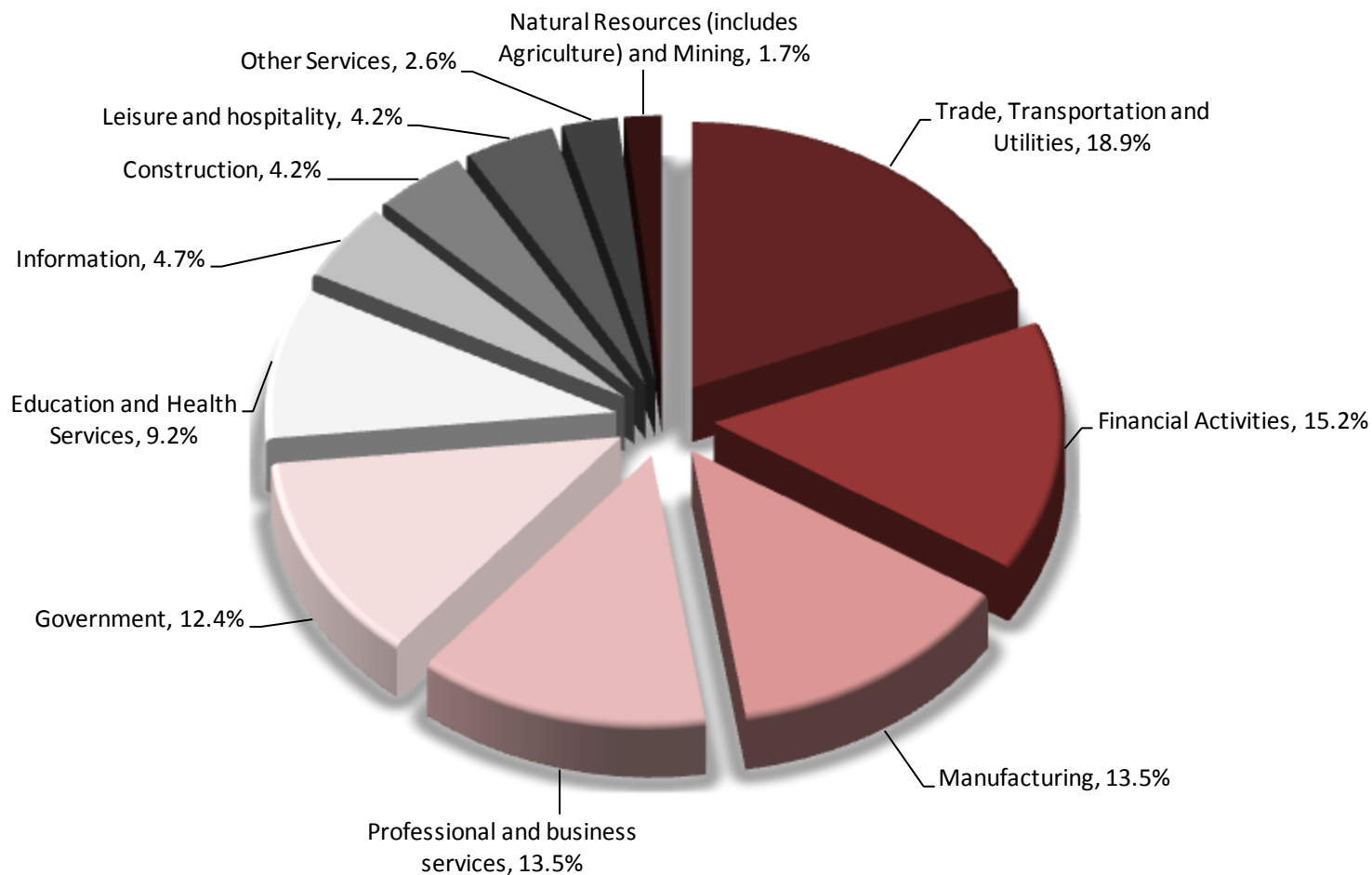
Marty Romitti, Ph.D., MERIC Director


*Missouri Strategic Initiative for Economic Growth
Steering Committee – Meeting #1*

July 29, 2010



Industry Share of Missouri's Economy (by percentage of Gross Domestic Product, 2008)

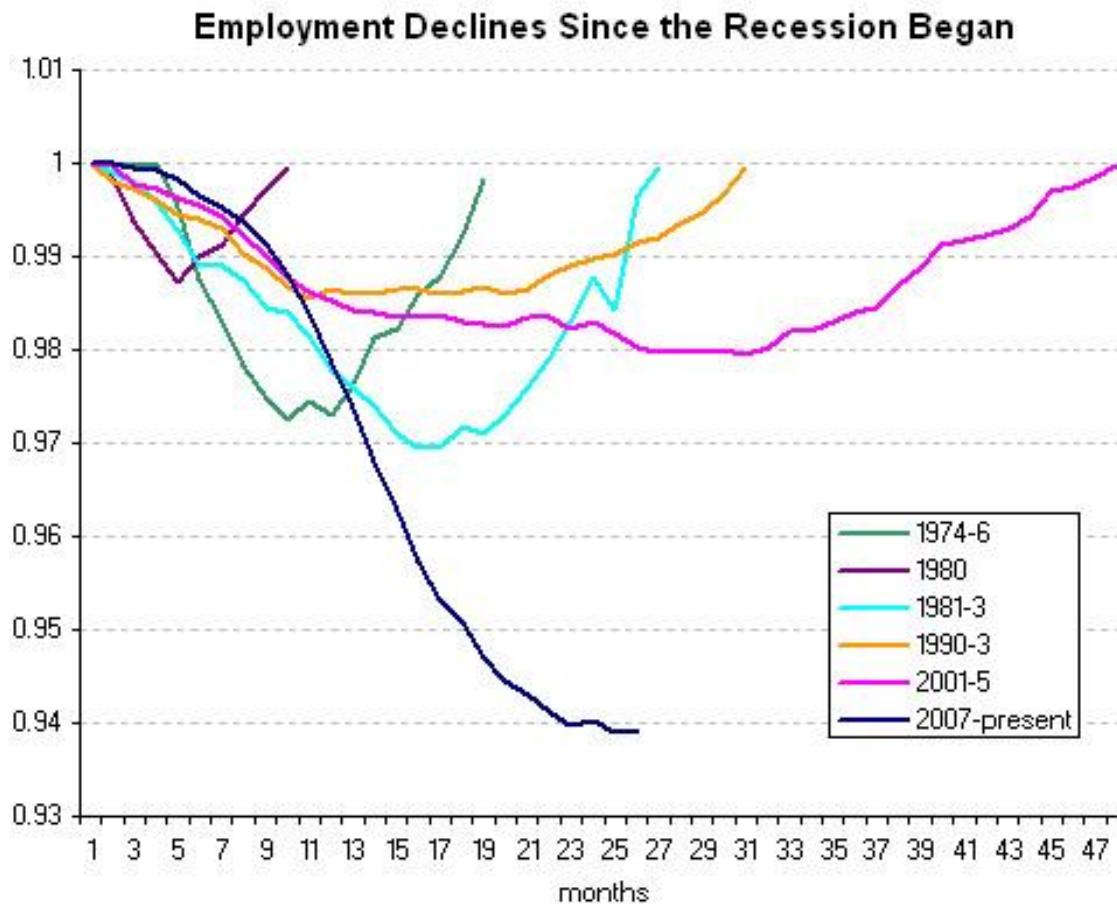




*“The economic outlook
remains unusually
uncertain.”*

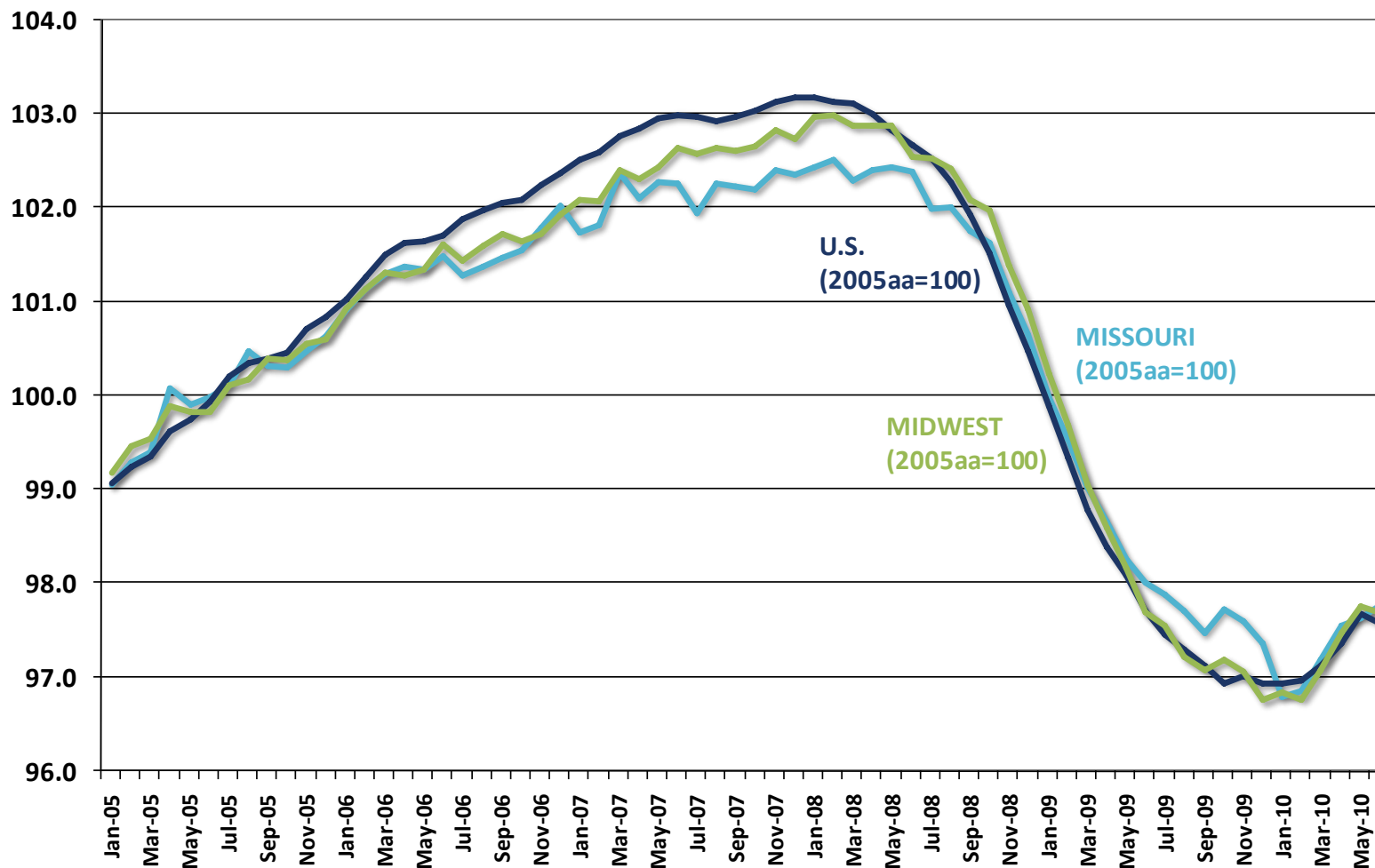
*Ben Bernanke, Chairman of the Federal Reserve
Testimony before Congress July 21, 2010*

U.S. Economy



U.S. and Missouri Payroll Employment

Index: 2005 annual average = 100

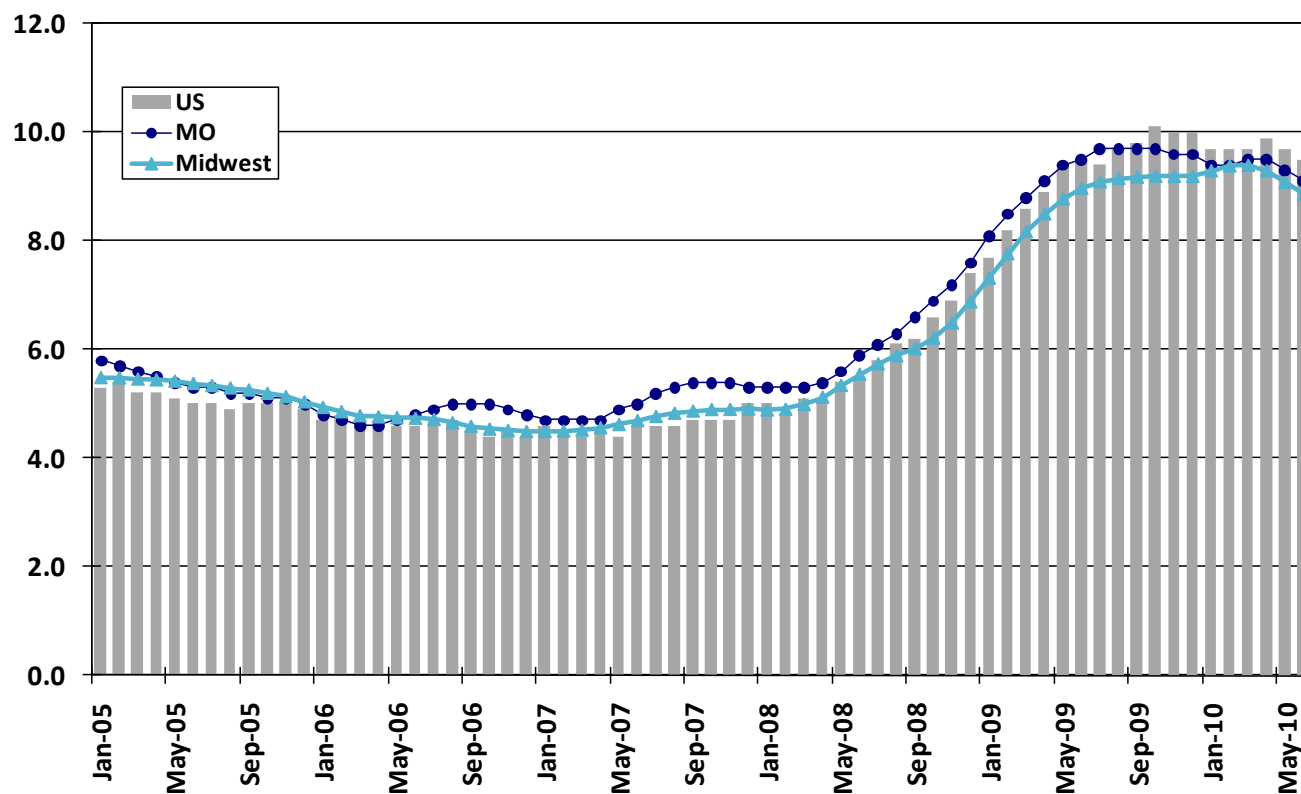


More than
272,000
Missourians
are looking
for work.

U.S. and Missouri Unemployment Rate

January 2005 - June 2010

Seasonally Adjusted



Everyone
has a plan
'till they get
punched in
the mouth.

-- Mike Tyson

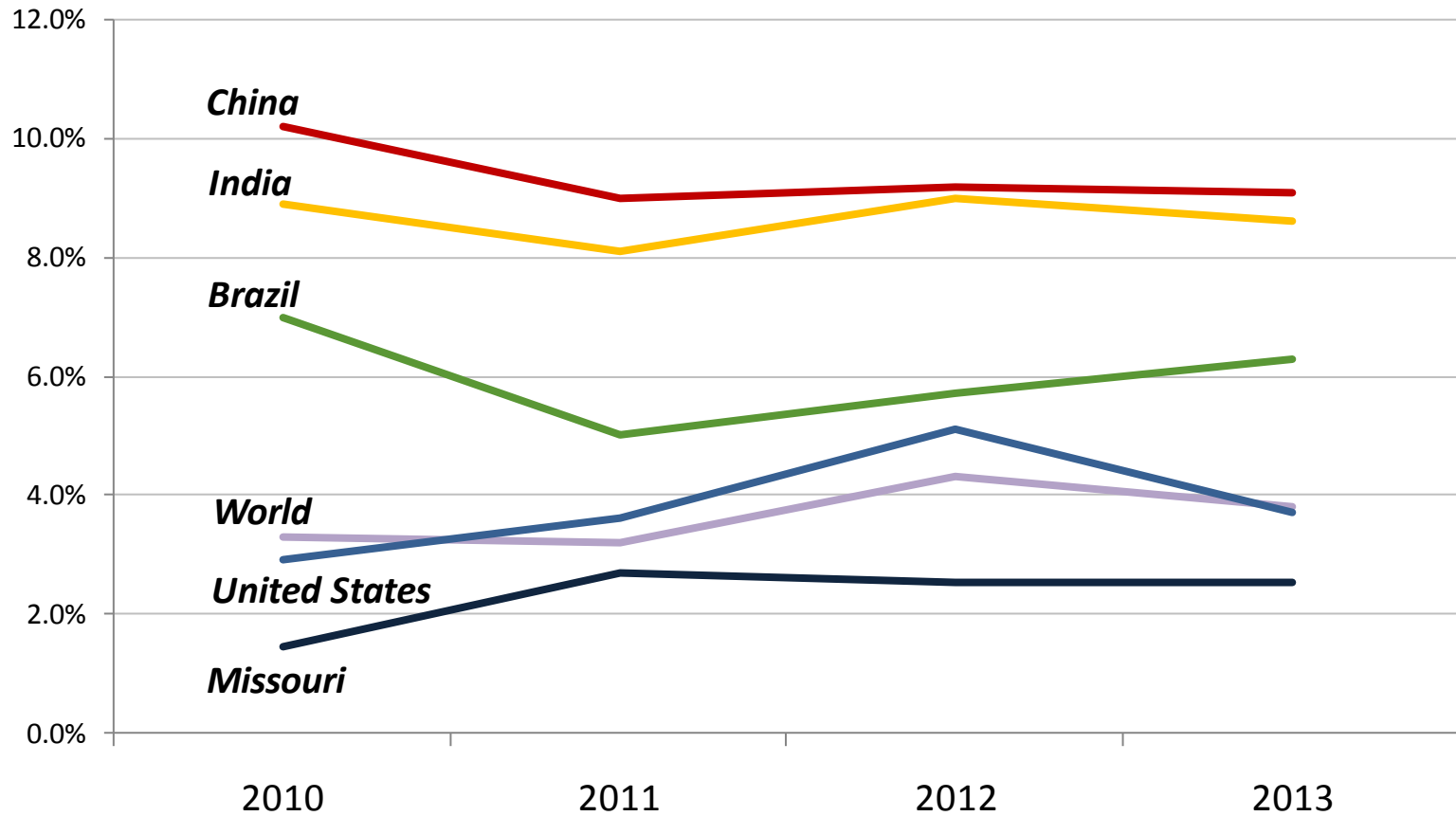


Mike Tyson vs. Frank Bruno, 1989 *B. Martin/ALLSPORT*

Greatest Engineering Achievements of the 20th Century

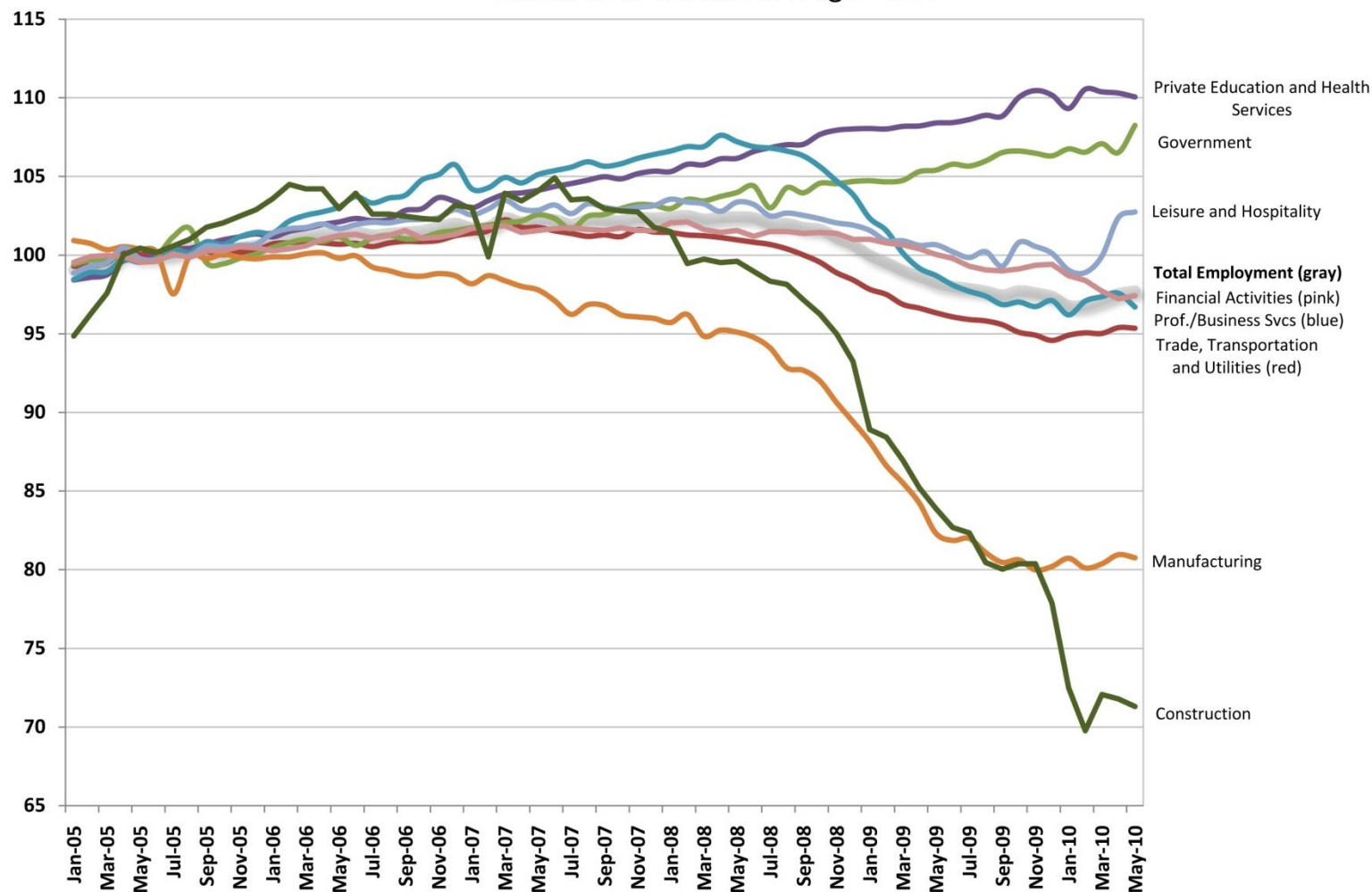
- | | |
|--------------------------------------|--------------------------------|
| 1. Electrification | 11. Highways |
| 2. Automobile | 12. Spacecraft |
| 3. Airplane | 13. Internet |
| 4. Water Supply & Distribution | 14. Imaging |
| 5. Electronics | 15. Household Appliances |
| 6. Radio & Television | 16. Health Technologies |
| 7. Agricultural Mechanization | 17. Petrochemical Technologies |
| 8. Computers | 18. Laser & Fiber Optics |
| 9. Telephone | 19. Nuclear Technologies |
| 10. Air Conditioning & Refrigeration | 20. High-Performance Materials |

Projected GDP Growth 2010-2013

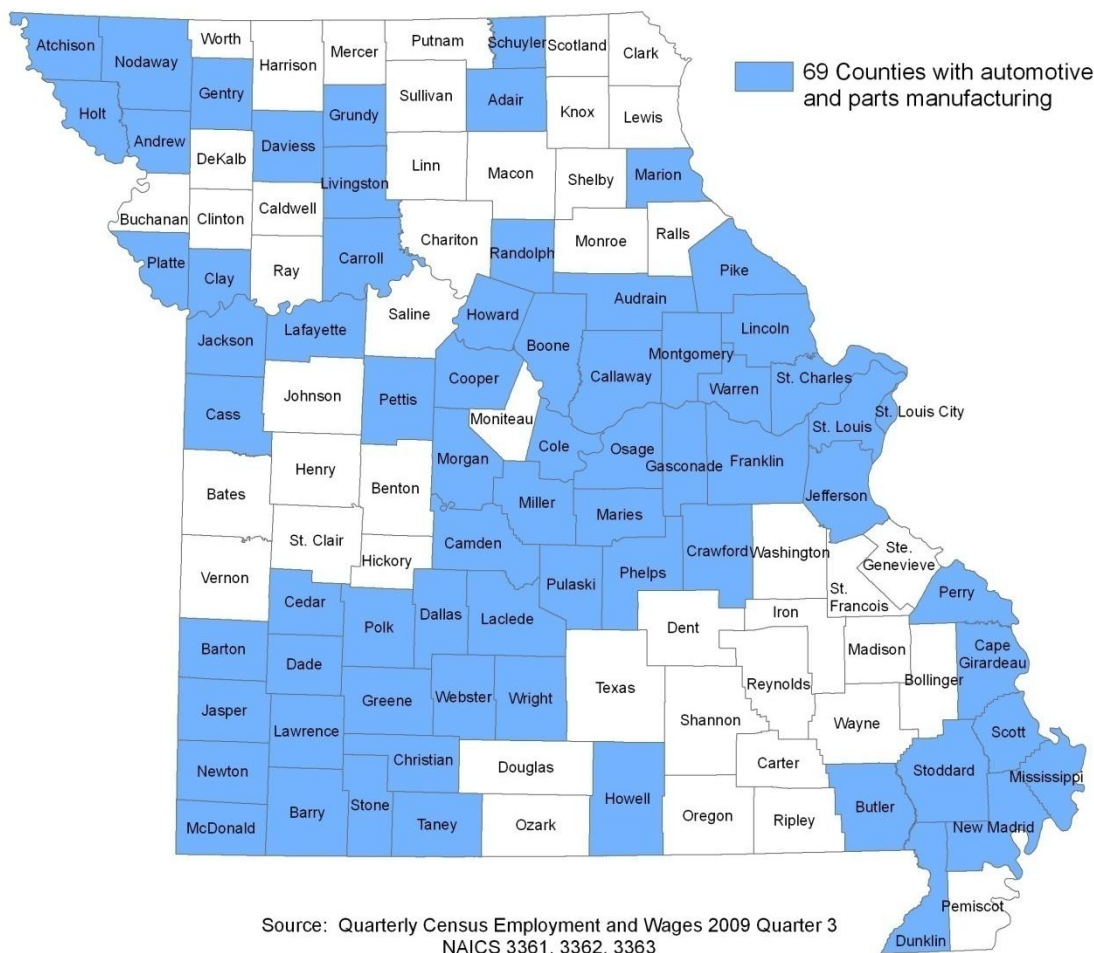


Missouri Employment Trend in Largest Employing Sectors

Index: 2005 annual average = 100



Counties with Automotive Assembly and Parts Manufacturing



Source: Quarterly Census Employment and Wages 2009 Quarter 3
NAICS 3361, 3362, 3363

Missouri Fortune 500 Companies						
Company	Rank	Previous Rank	Revenues (\$mil)	Profits (\$mil)	Headquarters	Primary Business
Express Scripts	96	115	\$24,748.9	\$827.6	St.Louis	Healthcare: Pharmacy & Other Services
Emerson Electric	117	94	\$20,915.0	\$1,724.0	St.Louis	Electronics, Electrical Equipment
Monsanto	197	235	\$11,740.0	\$2,109.0	St.Louis	Agriculture and Biotechnology
Ameren	320	327	\$7,090.0	\$612.0	St.Louis	Utilities: Gas & Electric
Reinsurance Group of America	321	N/A	\$7,066.8	\$407.1	Chesterfield	Insurance: Life, Health (stock)
Charter Communications	332	385	\$6,755.0	N/A	St.Louis	Telecommunications
Peabody Energy	346	353	\$6,313.9	\$448.2	St.Louis	Mining, Crude-Oil Production
O'Reilly Automotive	429	602	\$4,847.1	\$307.5	Springfield	Specialty Retailers
Graybar Electric	470	439	\$4,377.9	\$37.3	St.Louis	Wholesalers: Diversified
Centene	486	609	\$4,348.0	\$83.7	St.Louis	Healthcare: Insurance & Managed Care
H & R Block	493	556	\$4,213.4	\$485.7	Kansas City	Diversified Financials
Total			\$102,416.0	\$7,042.1		
Source: Fortune Magazine.						

These eleven companies employ over 25,000 people in Missouri and pay wages totaling over \$2 billion.

Source: MERIC, QCEW Program

- Transportation/Logistics
- Biosciences
- Automotive
- National Security
- Information Technology
- Agribusiness
- Energy
- Financial Services



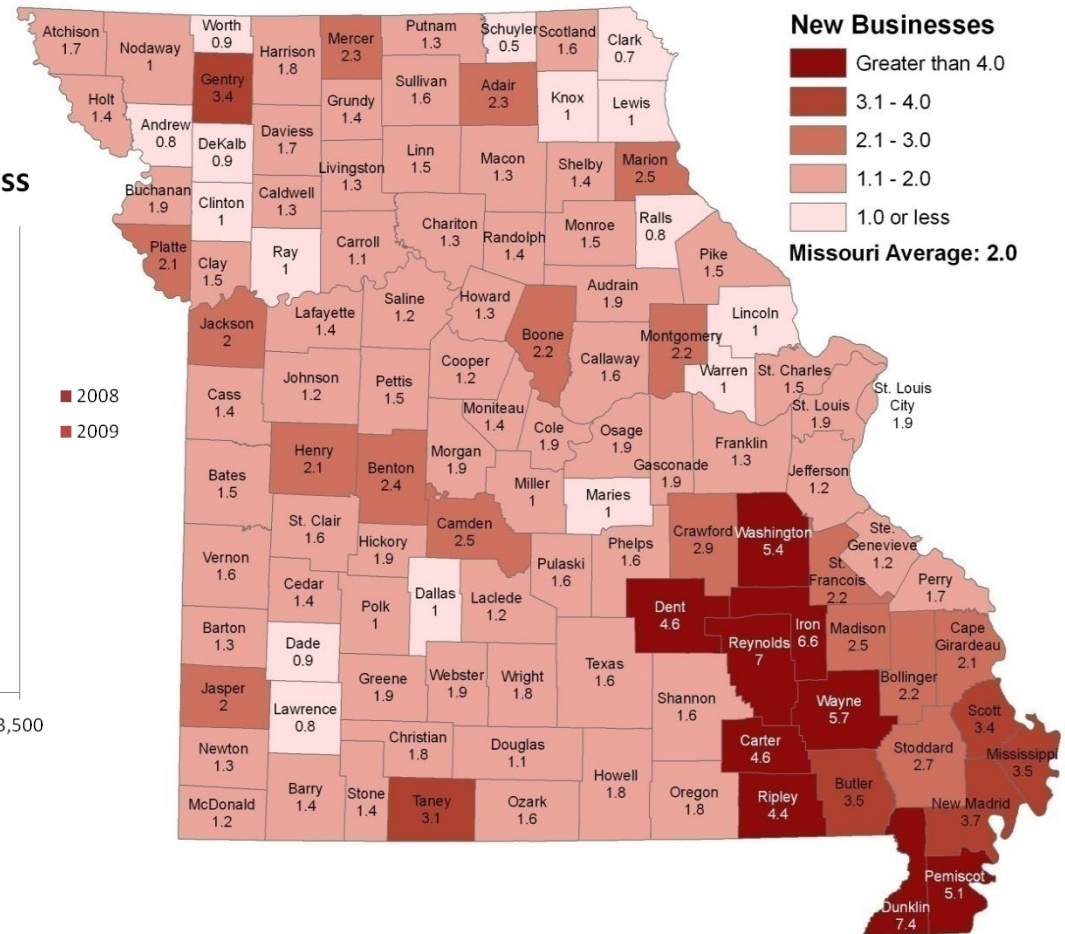
Industry Clusters

Concentrations of interconnected businesses, suppliers, research and development, service providers, and associated institutions in a particular field that are linked by common workforce needs.

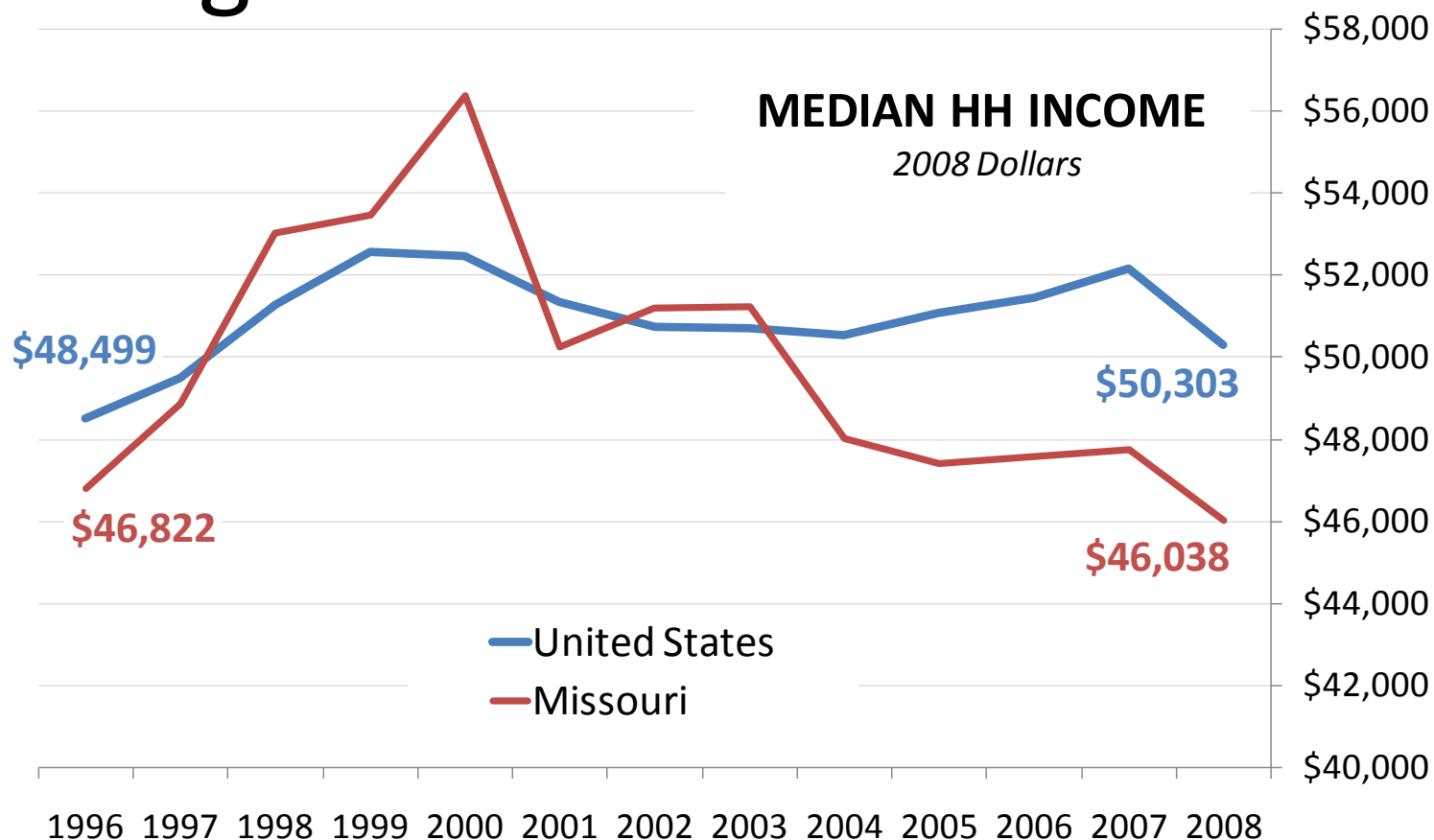
NAICS Title
Hospitals
Insurance carriers and related activities
Food manufacturing
Telecommunications
ISPs, search portals, and data processing
Broadcasting, except Internet
Chemical manufacturing
Securities, commodity contracts, investments
Leather and allied product manufacturing
Paper manufacturing
Textile product mills
Rental and leasing services
Heavy and civil engineering construction
Nonmetallic mineral product manufacturing
Wood product manufacturing
Machinery manufacturing
Construction of buildings
Transportation equipment manufacturing
Specialty trade contractors

Where are small businesses starting up?

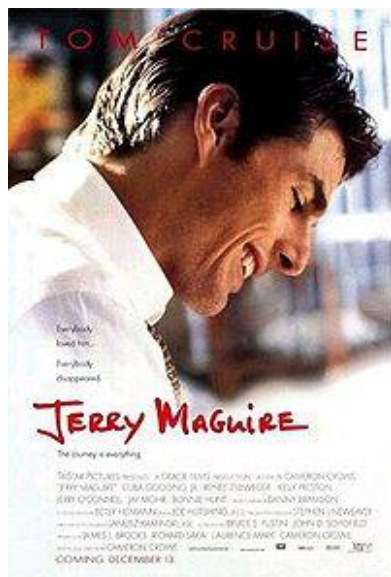
New Businesses in Missouri Counties Per 1,000 Population, 2009



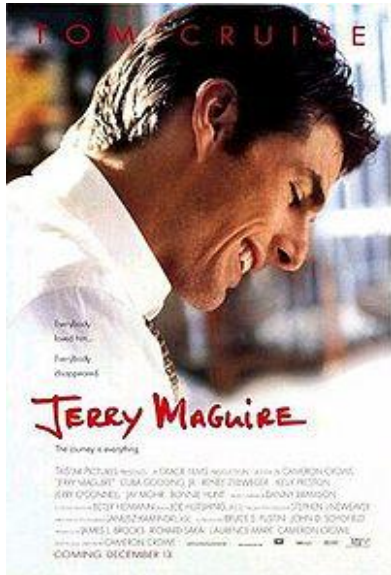
You're living like its 1996

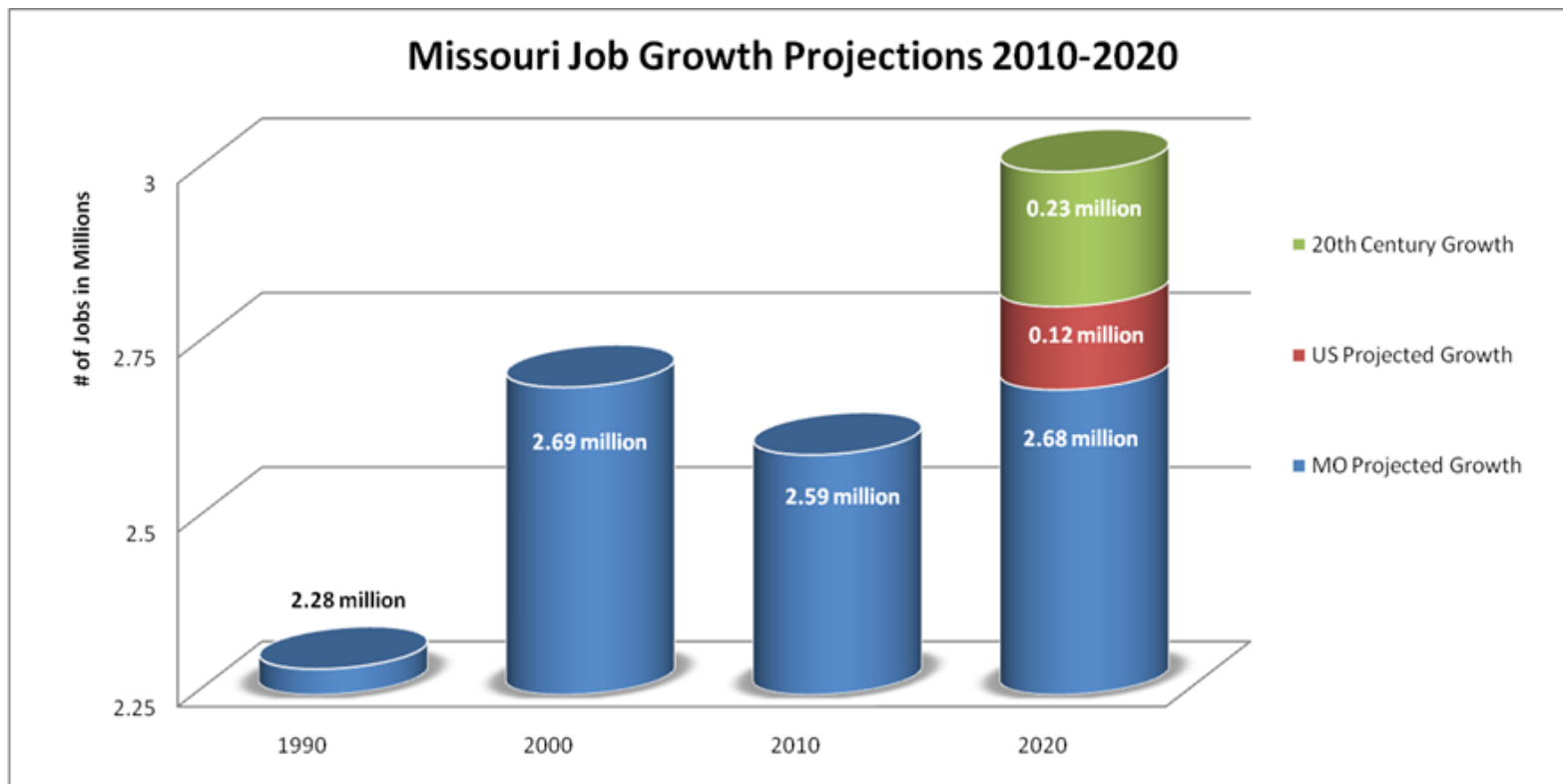


Your 2008 Median Household Income of **\$46,038** is...
slightly lower than the 1996 income of **\$46,822**
(in 2008 inflation-adjusted dollars)



You're living like its 1996

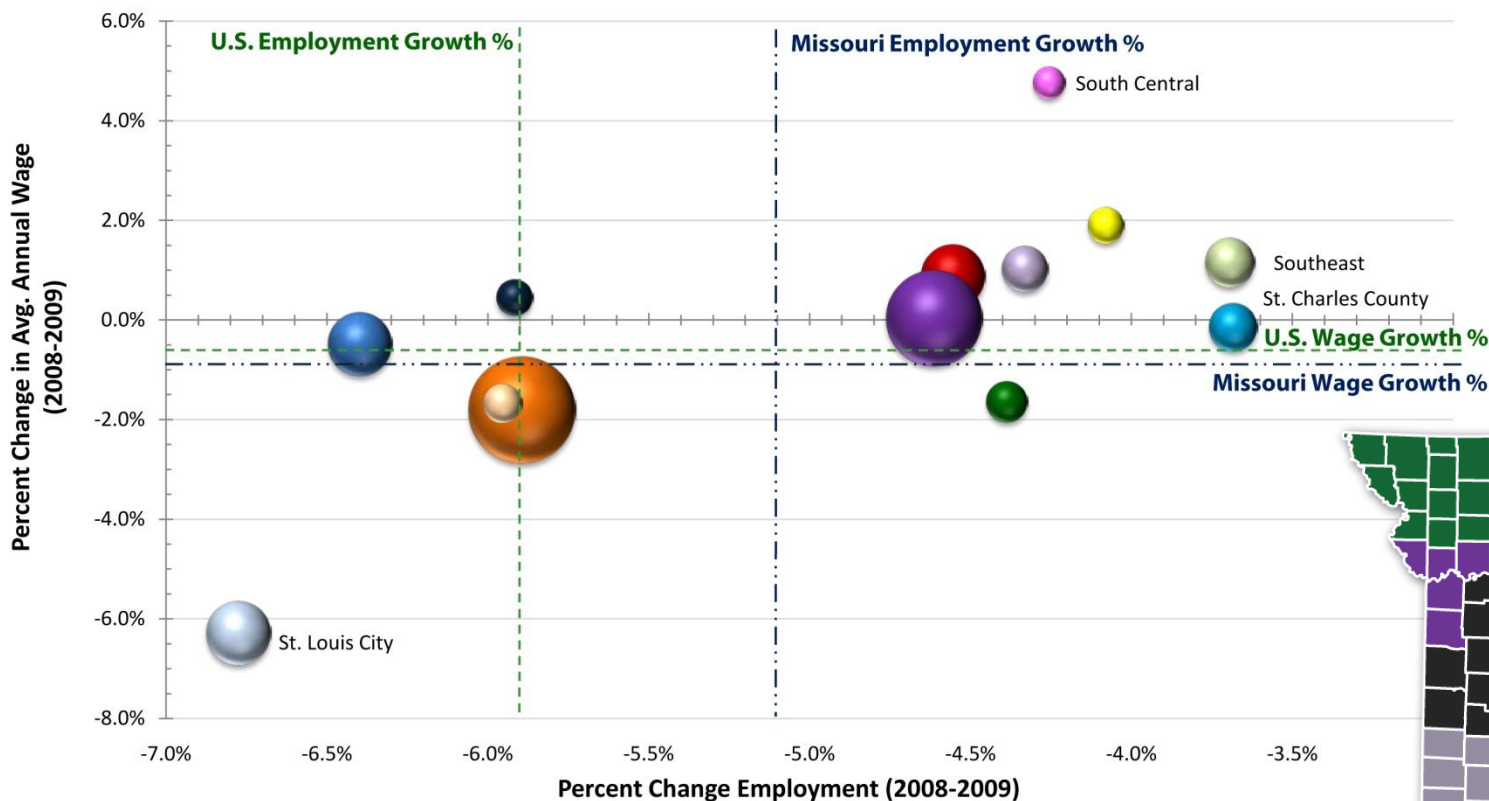




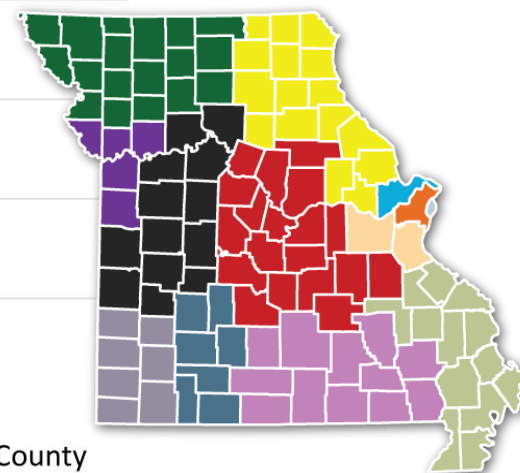
The current trajectory suggests a potential for 350,000 missed job opportunities over the next 10 years.

Comparative Performance of Workforce Investment Areas in Missouri

Sphere size indicates relative employment levels

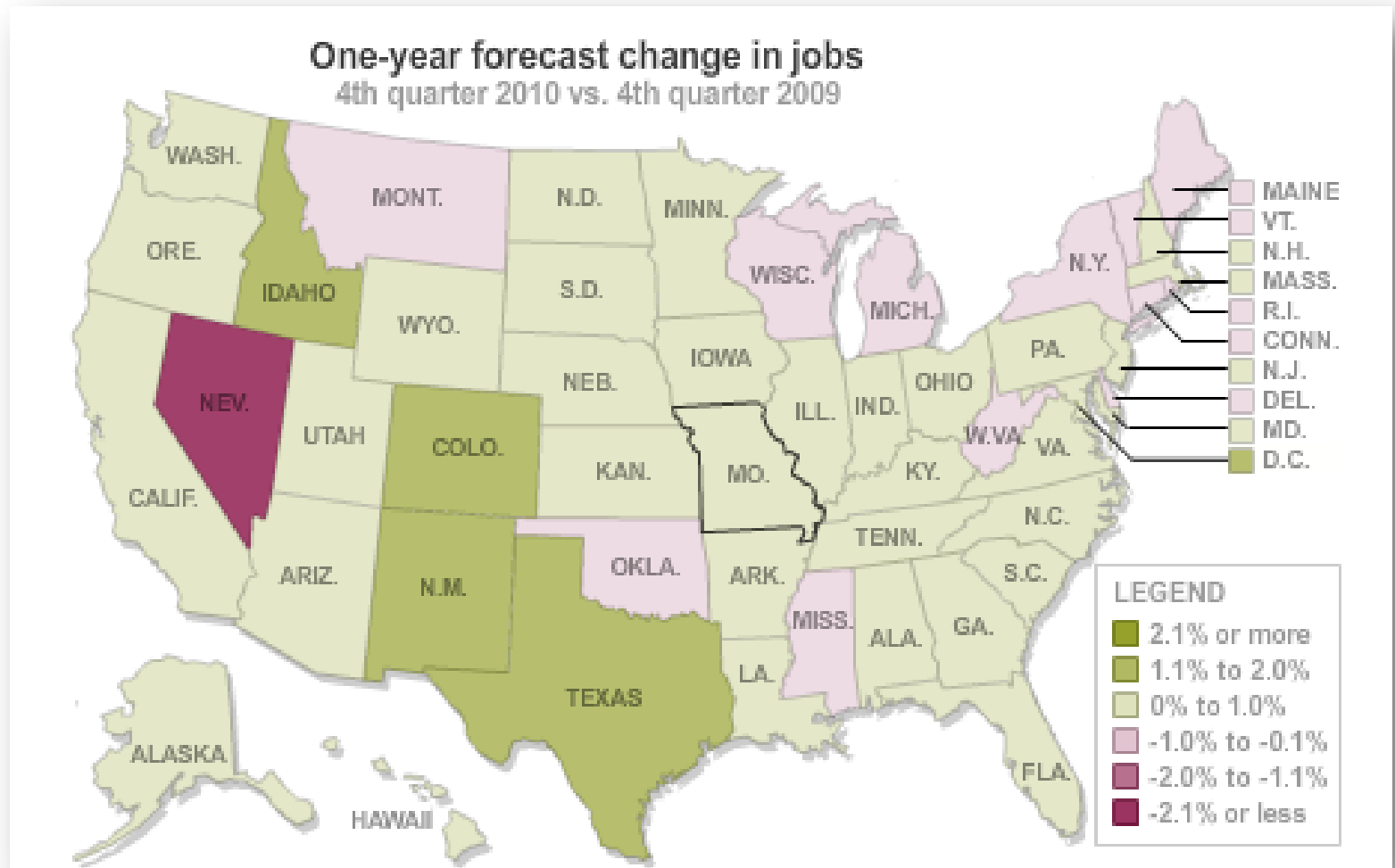


- Central
- Northwest
- Southeast
- St. Louis County
- Jefferson/Franklin Consortium
- Ozark
- Southwest
- St. Louis City
- Kansas City & Vicinity
- South Central
- St. Charles County
- West Central
- Northeast



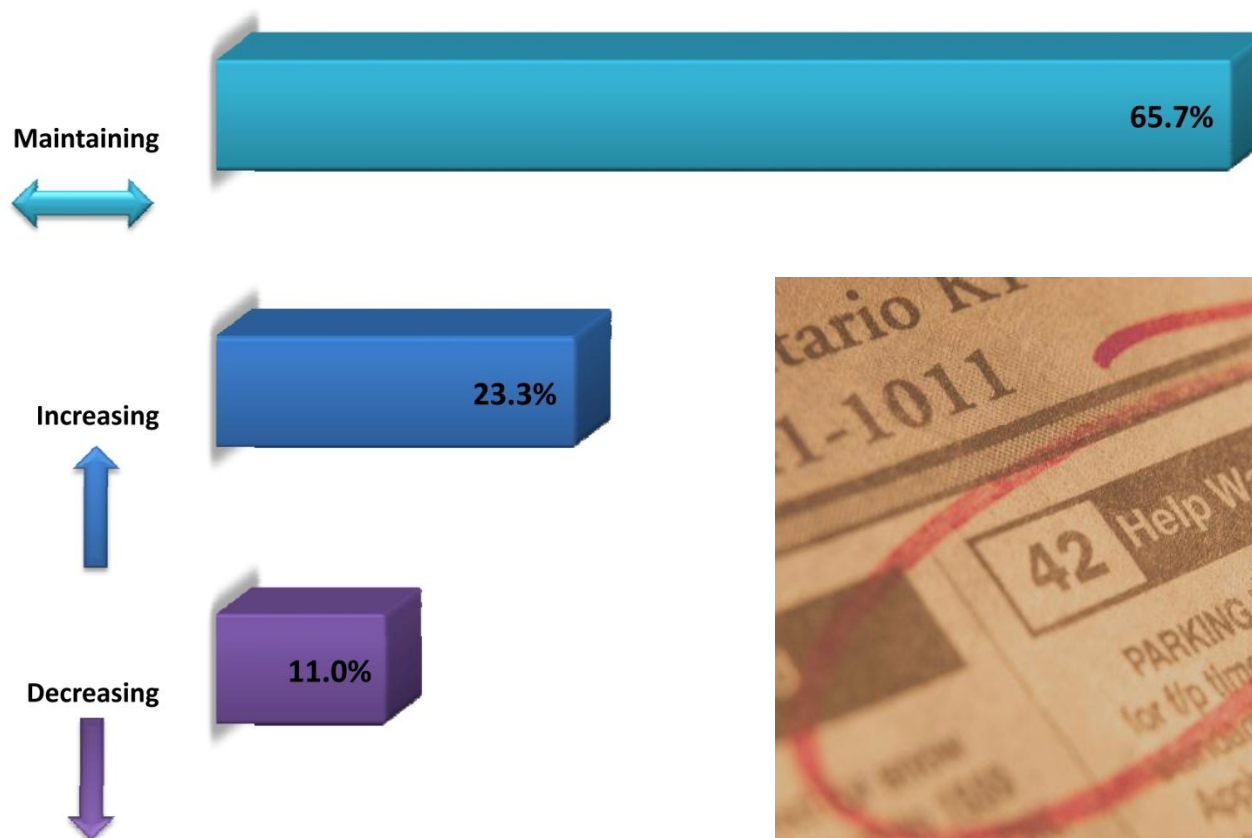
❖ CURSE OF KNOWLEDGE





Source: Moody's Economy.com

Over the next 12 months, does your business plan on increasing, maintaining, or decreasing your current employment levels?



Building on the recent momentum

